GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:135
ANSWERED ON:16.11.2016
Rail Neer
Teli Shri Rameswar

Will the Minister of RAILWAYS be pleased to state:

(a) the cost of production of rail neer per litre;

(b) the selling price of rail neer per litre;

(c) the percentage of profit earned by the Railways by selling per litre of rail neer; and

(d) the justification for huge margin of profit?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI RAJEN GOHAIN)
(a) & (b): Average cost of one litre bottle of "Rail Neer" is ? 9.22 and its transfer price for supplies made in locations within 75 kms. of the manufacturing plant is ? 10.00 and beyond that distance is ?10.50. The Indian Railway Catering & Tourism Corporation Limited (IRCTC) sells one litre Rail Neer at ? 10.32 to the vendors. However, the maximum retail price of one litre Rail Neer bottle is ?15/- at Railways' premises. Licensees are paid the handling charges, inclusive of cooling expenses etc.

(c): The percentage of profit earned by the IRCTC by selling per litre of Rail Neer is 11.93% .
(d): There is only a marginal profit of ? 1.10 per bottle on Rail Neer to IRCTC.
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